EXHIBIT 2-D

[Appendix C to Modified Disclosure Statement—Reaffirmed Financial Projections 2008-2011]

APPENDIX C

REAFFIRMED FINANCIAL PROJECTIONS 2008-2011

Reaffirmed Financial Projections 2008 - 2011

The Debtors believe that the Plan meets the Bankruptcy Code's requirements that the Plan confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors or any successor under the Plan. In connection with the development of the Plan, and for the purposes of determining whether the Plan satisfies this feasibility standard, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources. In this regard, the management of the Debtors developed and refined the business plan and prepared consolidated financial projections of Delphi Corporation (the "Projections") for the years ending December 31, 2008 through December 31, 2011 (the "Projection Period"). Included in 2008 projected amounts are actual unaudited financial results through June 30, 2008. In addition, actual audited financial results for the 2007 fiscal year have been included in the consolidated statements for presentation purposes. The Projections have been prepared on a consolidated basis consistent with the Company's financial reporting practices and include all Debtor and non-Debtor entities.

The Debtors do not, as a matter of course, make public projections of their anticipated financial position or results of operations. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated business plans or projections to holders of Claims or Interests after the Confirmation Date, or to include such information in documents required to be filed with the Securities and Exchange Commission or otherwise make such information public.

ALTHOUGH EVERY EFFORT WAS MADE TO BE ACCURATE, THE PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH THE GUIDELINES ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OR IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED STATES ("U.S. GAAP"), THE FINANCIAL ACCOUNTING STANDARDS BOARD, OR THE RULES AND REGULATIONS OF THE SECURITIES AND EXCHANGE COMMISSION REGARDING PROJECTIONS. FURTHERMORE, THE PROJECTIONS HAVE NOT BEEN AUDITED OR REVIEWED BY THE DEBTORS' INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM. WHILE PRESENTED WITH NUMERICAL SPECIFICITY, THE PROJECTIONS ARE BASED ON A VARIETY OF ASSUMPTIONS, WHICH MAY NOT BE REALIZED, AND ARE SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES, WHICH ARE BEYOND THE CONTROL OF THE DEBTORS. CONSEQUENTLY, THE PROJECTIONS SHOULD NOT BE REGARDED AS A REPRESENTATION OR WARRANTY BY ANY OF THE REORGANIZED DEBTORS, OR ANY OTHER PERSON, THAT THE PROJECTIONS WILL BE REALIZED. ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE PRESENTED IN THE PROJECTIONS. HOLDERS OF CLAIMS AND INTERESTS MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE PROJECTIONS IN REACHING THEIR DETERMINATIONS OF WHETHER TO ACCEPT OR REJECT THE PLAN. NEITHER THE DEBTORS' INDEPENDENT AUDITIORS NOR THEIR FINANCIAL AND RESTRUCTURING ADVISORS HAVE EXPRESSED AN OPINION ON OR MADE ANY REPRESENTATIONS REGARDING THE ACHIEVABILITY OF THE FINANCIAL PROJECTIONS.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: These Projected Financial Statements contain statements which constitute "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" in these Projected Financial Statements include the intent, belief or current expectations of the Debtors and members of their management team with respect to the timing of, completion of and scope of the current restructuring, reorganization plan, strategic business plan, bank financing, and debt and equity market conditions and the Debtors' future liquidity, as well as the assumptions upon which such statements are based. While management believes that its expectations are based on reasonable assumptions within the bounds of its knowledge of its business and operations, prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those

contemplated by such forward-looking statements. Important factors currently known to management that could cause actual results to differ materially from those contemplated by the forward-looking statements in these Projected Financial Statements include, but are not limited to, those risks and uncertainties set forth in Section X of the Disclosure Statement and other adverse developments with respect to the Debtors' liquidity position or operations of the various businesses of the Reorganized Debtors, adverse developments in the bank financing markets or public or private markets for debt or equity securities, or adverse developments in the timing or results of the Debtors' current strategic business plan (including the current timeline to emerge from chapter 11) and the possible negative effects that could result from potential economic and political factors around the world in the various foreign markets in which the Reorganized Debtors operate.

Development of the Business Plan

As described in section VI of the Disclosure Statement, the business planning process is an annual, "bottoms up" process undertaken by the Company to provide revenue and cost projections which assist the Company in managing its portfolio, planning its working capital needs, developing its capital structure, and planning for the supporting capital expenditures. Annually, Delphi undergoes a lengthy and detailed process to develop its business plan. The POR Business Plan originally filed in September 2007, as amended in October 2007 to account for certain changes in the capital structure of Reorganized Delphi as well as an updated forecast for GMNA volumes in 2008 was the basis for the POR Business Plan in Appendix C to the Disclosure Statement for the First Amended Joint Plan of Reorganization that was confirmed by the Bankruptcy Court on January 25, 2008.

As part of the Company's annual business plan process, and in preparation for Delphi's planned emergence from chapter 11 reorganization in early 2008, Delphi undertook and completed its annual business plan process and updated the POR Business Plan in late 2007/early 2008. The updated business plan, referred to internally at Delphi and hereafter in this summary as the 2008-2011 Budget Business Plan ("BBP"), was prepared at a divisional level and was used by the Company in connection with the POR confirmation process to confirm the overall company performance set forth in the POR Business Plan. While updates were made for changes to volume and commodity assumptions at that time along with specific operating performance updates, overall the BBP process confirmed Delphi's commitment to the aggregate EBITDAR (EBITDAR is calculated as operating income plus depreciation, amortization and restructuring expense. EBITDAR is a calculated figure used as a proxy by the Company for recurring operating income. However, EBITDAR is not a measurement of performance under US GAAP and may not be comparable to similarly titled measure of other companies) projections in the POR Business Plan based on macroeconomic and automotive sector conditions at that time.

When the closing on Delphi's POR was suspended on April 4, 2008, as part of Delphi's consideration of potential modifications to its POR in order to emerge from Chapter 11 as soon as practicable, Delphi undertook a reaffirmation process with respect to the POR Business Plan. That reaffirmation process involved review and reaffirmation of the BBP (which had been prepared as part of Delphi's annual business planning process and which had confirmed Delphi's prior commitment to the aggregate EBITDAR projections in the POR Business Plan.) The reaffirmed POR business plan is referred to internally at Delphi and in this summary as the August 2008 Reaffirmed POR Business Plan (or RPOR). Among other changes, the RPOR includes revised actual and expected volumes for the North American automotive market, significant increases in commodities costs that are used as raw materials in certain of Delphi's products and changes in the underfunded status of its pension plans as a result of negative plan asset returns.

Summary of Significant Assumptions

The Projections are based upon: a) current and projected market conditions in each of the Debtors' respective markets; b) no material acquisitions or divestures other than as contemplated in the Plan; c) emergence from Chapter 11 at or around December 31, 2008 under the terms expected in the Plan; and, d) the ability to raise exit financing at rates similar to those comprehended in the Projections. Incorporated

into the Projections are management's estimates of the economic impact of the agreements reached with the Debtors' Stakeholders, including labor unions, GM, the IRS and PBGC, and other parties to the Debtors' Transformation Plan (all as discussed in more detail in the Disclosure Statement).

In FY2008, the Projections include certain operations that have been sold or are expected to be sold by December 31, 2008. The financial results of these businesses are classified as "Discontinued Operations" in the Projections. Discontinued Operations in 2007 and 2008 include the financial results of the Steering division, which is expected to be sold by December 31, 2008, and the Interiors business, which was sold during the first quarter of 2008.

In addition, certain other businesses are assumed to be sold or wound-down by December 31, 2008; those with material impacts include the remaining businesses in the Automotive Holding Group division and the Converters business ("Non-Continuing Businesses"). The results of operations for these businesses are not included in Discontinued Operations and are, therefore, included within continuing operations in the Projections. Amounts included in the Projections relating to these businesses are summarized below:

($ in billions)	2008		
	Converters	AHG (Excl. Interiors)	Total Non-Continuing
Sales	0.4	1.5	1.9
OI	0.0	(0.2)	(0.2)
EBITDAR	0.0	0.1	0.1

Consistent with the Debtors' financial reporting, the Projections are consolidated in U.S. dollars. Foreign exchange rates are based on forecasts provided by Global Insight ("GI/DRI").

Income Statement Assumptions - Revenues

Sales: The Debtors base their sales forecasts on projections of OEM automotive build rates and product mix provided by GI/DRI. Revenue projections are then adjusted by management for market considerations for such items as program timing (acceleration or delay) prior to being incorporated into the Debtors' revenue projections.

The Debtors' sales to GM, its largest customer, are highly dependant on the build rate of GM light trucks and passenger cars in North America. The GMNA build rates used during the Projection Period are based on July 2008 GI/DRI forecasts and range from a low of 3.15 million vehicles in 2009 to a high of 3.61 million vehicles in 2011. These build rates exclude CAMI and NUMMI, GM partnerships in North America.

The Debtors' sales to customers other than GMNA are based on July 2007 GI/DRI forecasts which formed the basis for the BBP developed in late 2007/early 2008, along with adjustments made to update principal North American customers to March 2008 GI/DRI projections, as well as to reflect the divisions' current outlook for specific customer programs, as needed.

The Debtors' sales include revenues from products for which contracts have already been awarded ("booked" sales), in addition to opportunities ("unbooked" sales) that management reasonably believes will be awarded in the future. Because OEMs typically award contracts years in advance of program launch, booked revenue in the Debtors' 2008 through 2011 forecasts is estimated at greater than 90% in 2009, greater than 80% in 2010, and greater than 70% in 2011. Delphi is generally not guaranteed production volumes by any OEM.

OEM sales contracts often include provisions for year-over-year market-based price reductions, commonly known as "price-downs," from their suppliers. The Debtors' sales reflect contractual pricing terms for booked sales and anticipated market-based pricing terms for unbooked sales expected to be

awarded. Price-downs to OEMs are projected to be generally similar to historical rates before consideration of the GM keep site facilitation payments included at $0.1 billion annually in 2009 and 2010.

The Projections also include assumed commodity recoveries of approximately $100 million per year in 2009, 2010 and 2011 from customers beyond contractually-based escalation as a result of the significant recent rise in steel, copper, oil and various other materials used by the Company in production (see Cost of Goods Sold). From 2007 to 2008, the Debtors sales decreased from $22.3 billion to $19.7 billion. Declining volume and price reductions are partially offset by favorable foreign exchange movements. From 2008 to 2011, the Company's revenues increase from $19.7 billion to $21.6 billion. Increased volume and mix results in additional sales of $4.7 billion, almost all of which is from non-GM customers. Contractual cumulative annual price reductions of over $1.1 billion, as well as the exit of the remaining AHG businesses, and the Converter product line, partially offset the increased volumes.

Income Statement Assumptions - Expenses

Cost of Goods Sold ("COGS"): The most significant portion of the Debtors' COGS expenditures are direct material costs, including purchases of various commodity raw materials (primarily metals and plastics) used in the production of salable parts. Direct material costs are strongly affected by unit cost assumptions regarding key commodities (e.g., copper, steel and resins). Key commodity prices were developed by the Debtors taking into account pricing trends, market considerations and hedging positions. The following chart details key commodity cost assumptions reflected in the RPOR. The Debtors believe that the impact of price increases can be partially mitigated by performance initiatives, such as competitive sourcing and engineering initiatives.

		RPOR Assumptions	
	Unit of Measure	2008	2009 - 2011
Copper	lb.	$3.67	$3.50
Aluminum (primary)	lb.	$1.28	$1.40
Aluminum (secondary)	lb.	$1.10	$1.30
Scrap Steel*	gross ton	$340.00	$695.00
Crude Oil	bbl.	$130.00	$130.00

*Delphi utilizes a variety of types and grades.

Fluctuations in the price of commodities can have a considerable impact on the material purchases of the Debtor. It is estimated that for every $0.10/lb. fluctuation in copper prices, material purchases are impacted $5-10 million annually. Likewise, a $0.15 increase in the price per pound of aluminum impacts the Debtors' financials by $20-25 million per year and a $1.00/bbl. increase in the price of crude oil has a $5-7 million impact. Relative to Steel, sensitivities are highly dependent on the grade and mix of steel, wherein prices are often not correlated. In addition, hedging programs for copper and aluminum can impact the above sensitivities.

Manufacturing expenditures comprise the next largest portion of COGS. Manufacturing expenditures include wages and benefit costs, along with outside services and other ancillary activities required in the Debtors' production processes. In the U.S., manufacturing expenses are anticipated to be favorably impacted by the exit from designated non-continuing sites, as well as design changes to existing defined benefit hourly pension and post-retirement healthcare plans, with hourly pension and OPEB costs significantly reduced by GM's assumption of responsibility for substantially all such hourly-related costs in conjunction with the effectiveness of the MRA/GSA. In addition, manufacturing expenses are expected to be favorably impacted by various restructuring initiatives. These initiatives generally relate to consolidating manufacturing locations and the continued migration of production to low-cost locations. Cost of goods sold also includes manufacturing related restructuring charges.

Also included in COGS are Production Cash Burn Breakeven ("PCBB") payments and U.S. hourly labor subsidies from GM. Such payments are expected to be approximately $0.1 billion annually in years 2008 through 2011.

Engineering expenses are also included in COGS and represent expenses associated primarily with employees conducting research and development, product design and manufacturing engineering activities along with the associated facilities costs. Included in the projections are reductions in engineering expenses in response to lower production volume forecasts while at the same time recognizing the importance of continued technological development. As a percent to sales, engineering expense (inclusive of restructuring items) ranges from 9.6% in 2008 to 7.7% in 2011 (this compares to 8.5% in 2007). The decline in such costs as a percentage of revenue is attributed primarily to reduced headcount and rotation of engineering resources from high cost to low cost locations.

Selling General and Administrative ("SG&A expense"): SG&A expense represents expenses incurred at corporate and divisional headquarters locations, along with various plant overhead functions, all IT expenses and SG&A related restructuring charges. As a percentage of sales, SG&A expenses (inclusive of restructuring items) range from a high of 8.1% in 2008 to a low of 5.8% in 2011 (this compares to 8.7% in 2007 inclusive of $0.3 billion of securities litigation charges). The decline in such costs as a percentage of sales is attributed to recurring savings from cost reduction measures, including financial services and IT outsourcing activities for which one-time SG&A expenses will be incurred in 2008 and 2009 in addition to headcount reductions. Recent macroeconomic impacts of lower U.S. auto industry volume and the associated reduction in Delphi's revenue outlook has resulted in further SG&A reductions than previously contemplated.

Depreciation and Amortization: Depreciation and amortization ("D&A") expenses are comprised of recurring depreciation expense using accelerated or straight line depreciation methods for fixed assets employed during the projection period. D&A also includes non–cash impairment charges related to reductions in carrying value of certain assets of the Debtors' Non-Continuing Businesses. In addition, beginning in the first quarter following the Effective Date, expenses related to the amortization of intangible assets (other than goodwill) are recorded in conjunction with the implementation of Fresh Start reporting (see Projected Pro Forma Consolidated Balance Sheet discussion below), as well as a write-off of in-process R&D of $0.2 billion in the first quarter of 2009. Excluding the write-off of in-process R&D, the amortization of intangible assets is estimated to approximate $0.1 billion annually in years 2009 through 2011.

Restructuring Charges: Restructuring charges are included within the COGS and SG&A expense categories in the Projections. The following table illustrates the split of projected restructuring expenses between the aforementioned expense categories:

Restructuring Charges by Category

($ in millions)

	2008	2009	2010	2011
Restructuring Expense-COGS	$ 378	$ 312	$ 125	$ 138
Restructuring Expense-SG&A	280	93	9	9
Total Restructuring Expense	$ 658	$ 405	$ 134	$ 147

Note: The figures above exclude amouts included in discontinued operations.

Restructuring charges are comprised of items related to the implementation of the Debtors' Transformation Plan, including:

- Employee payout costs of the 2007 special attrition programs, which offered various transition and exit mechanisms to the U.S. hourly labor workforce and were generally reimbursed by GM on September 29, 2008;
- Other costs resulting from the wind-down and sale of the Debtors' Non-Continuing Businesses:
    - Employee severance (primarily U.S. salaried and non-U.S. hourly employees) and plant closing costs;
    - Decoupling expense associated with the transition of divestitures to buyers;

- The consolidation and migration of various continuing businesses (primarily in Europe), resulting in expenses for employee severance and plant closing costs;
- Various overhead cost reduction measures, including financial services and IT outsourcing and migration of IT systems resulting in one-time IT and employee severance costs;
- One-time income and expense items recognized as a result of the agreement with GM, including:
    - GM labor subsidy income retroactive to October 1, 2006, recognized in the third quarter of 2008; and,
    - Production Cash Burn Break-even Payment retroactive to January 1, 2008 recognized in Q3 2008.
- Non-cash inventory adjustments in 2009.

Restructuring expense in the Projections differs from that reported for U.S. GAAP purposes in certain respects; however, the Debtors' believe that this presentation facilitates the use of EBITDAR, EBITDARP and EBITDARPO (operating income before depreciation, amortization, restructuring, pension and OPEB expense), as indicators of recurring operating income during the Projection Period.

Reorganization Items: Reorganization items are primarily comprised of cancellation of debt ("COD") income of $5.8 billion resulting from the settlement of the Debtors' pre-petition liabilities at the Effective Date primarily comprised of $9.0 billion of Liabilities Subject to Compromise. The largest component of reorganization gain is a result of the termination of the Debtors' hourly-post-retirement healthcare liability of approximately $7.9 billion (OPEB), as part of the labor transformation. Bankruptcy-related professional fees are also included in reorganization items.

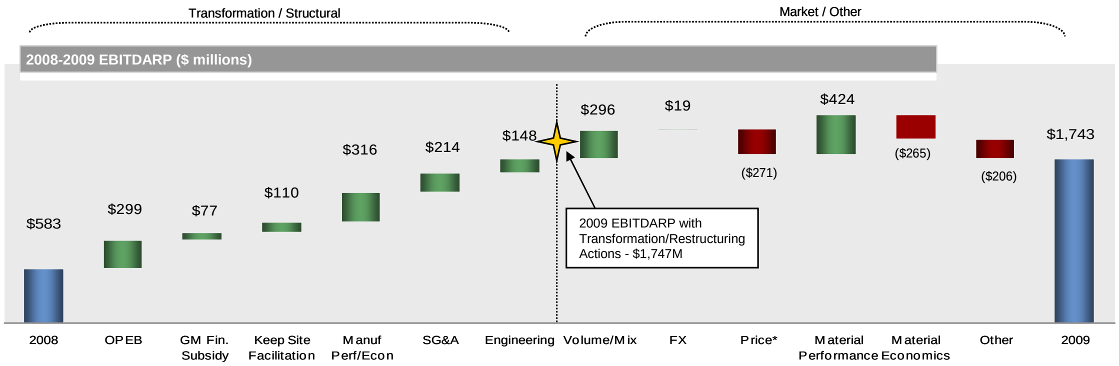
Interest Expense: Interest expense is based upon projected debt levels and anticipated interest rates. Interest expense also includes the non-cash amortization of certain transaction fees associated with emergence.

Other Income/(Expense): Other income/(expense) is primarily comprised of equity income from non-consolidated joint ventures, minority interest in consolidated joint ventures and interest income.

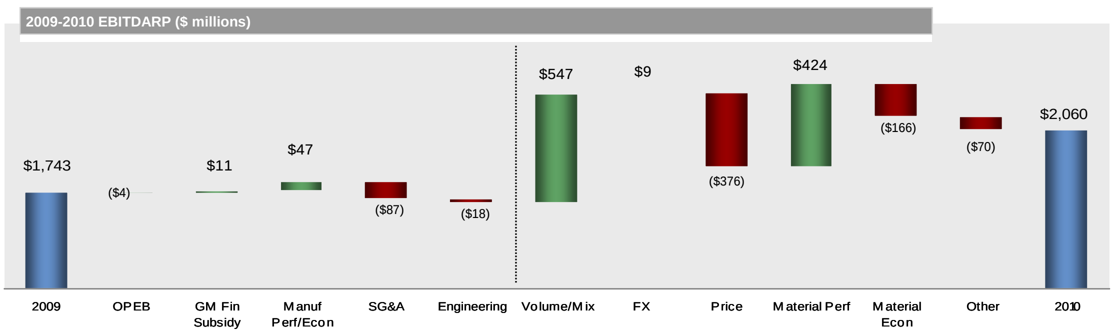
Income Tax Expense: Consolidated income tax expense increases over the projected period reflecting increasing profitability as well as a change in anticipated effective tax rates. Outside of the U.S., effective income tax rates are used to forecast income tax expense. These tax rates take into consideration management estimates regarding the ability to utilize net operating loss carry-forwards to offset a portion of taxable income and the impact of changes in tax laws. U.S. income taxes were estimated by the Debtors after considering the application of pre-emergence tax attributes to offset any taxable income, subject to Section 382 limitations, and post-emergence net operating losses. The Debtors believe that they will have sufficient tax attributes to offset any U.S. taxable income during the Projection Period.

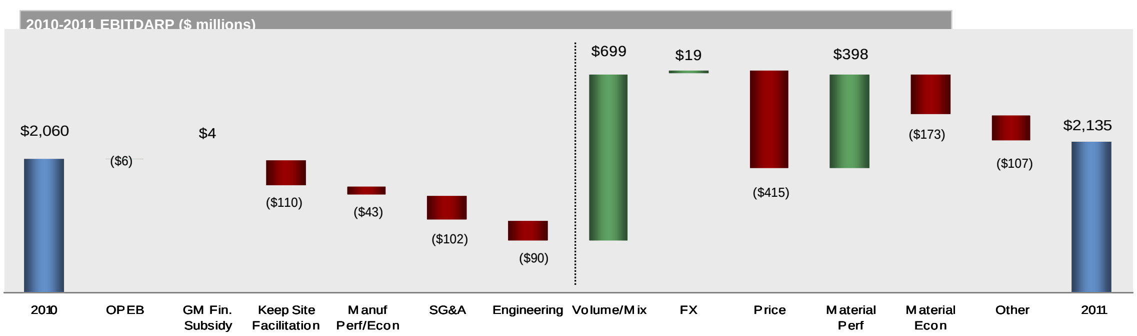
EBITDARP: 2007 EBITDARP of $0.6 billion differs minimally from 2008. This reflects that the unfavorable volume/mix impact and price reductions were offset by favorable net material performance and reductions in Company controlled manufacturing, SG&A, OPEB and other costs. EBITDARP improves from $0.6 billion in 2008 to $2.1 billion in 2011, amounting to an improvement of $1.5 billion. EBITDARP improvements are primarily driven by volume/mix improvements of $1.5 billion, net material performance of $0.6 billion and structural cost reductions generally related to restructuring initiatives of $0.4 billion, in addition to lower OPEB costs, resulting from the implementation of the amended GSA agreement with GM which was effective on September 29, 2008. Improved volume/mix in 2008-2011 is a result of overseas growth, increased sales to non-GM customers, and some GMNA volume recovery in the later years. These improvements are offset by annual customer price reductions totaling ($1.1 billion) from 2008-2011.

The following three charts depict EBITDARP bridges from 2008 through 2011. The difference between EBITDAR and EBITDARP reflect removal of U.S. Hourly and Salaried pension expense/income less the pension service cost related to previously accrured attiritition plan participants. The Pension adjustment excludes all DC pension, SERP, subsidiary, and international pension expense.



*($271 Price equals ($371) plus $100 Commodity Price Recovery





Balance Sheet Assumptions (Should be read in conjunction with the Projected Pro Forma Consolidated Balance Sheet Assumptions)

Cash and Cash Equivalents: Cash and cash equivalents are comprised of unrestricted and restricted cash as well as cash associated with discontinued operations. Such amounts reflect anticipated minimum cash balances required for operations as established by management. Excess cash is applied to debt.

Accounts Receivable: Accounts receivable decreases slightly from 2008 to 2009, primarily due to the unwinding of AHG working capital in Q1 2009. Additionally, accounts receivable at December 31, 2008, reflects $0.3 billion of GMNA and GMSPO payment terms improvement from 60 days (MNS2) to 30 days (net 15th prox.) as required under the MRA. Increases in the accounts receivable balance from 2009 to 2011 are primarily a result of sales growth, as customer terms are anticipated to remain relatively

constant during the Projection Period with minor increases in accounts receivable turns due to changes in sales mix.

Inventory: The decrease in inventory from 2008 to 2009 is primarily due to the unwinding of AHG working capital in Q1 2009. From 2009 to 2011, inventory balances increase as a result of growth, as inventory turns are projected to remain relatively constant.

Other Current Assets: Other current assets are primarily comprised of prepaid expenses and other assets which are short-term in nature.

Property, Net: Changes in property, net are primarily driven by capital spending, which is derived based upon anticipated requirements emanating from the Debtors' revenue plan, product migration, facilities maintenance and restructuring activities. Capital spending as a percentage of sales peaks in 2008 at 4.3% and then declines each year over the Projection Period to 3.2% by 2011.

Other Assets: Other assets are primarily comprised of identifiable intangible assets (e.g., patents, trade names, and customer relationships) and the estimated fair value of investments in non-consolidated joint ventures. The 2008 balance of other assets includes increases recorded due to assumptions regarding the revaluation of intangible assets at the Effective Date in conjunction with the implementation of Fresh Start Accounting. Decreases in other assets over the Projection Period are driven primarily by amortization of intangible assets.

Pension Prepaid Asset[3]: Pension prepaid asset represents the excess of plan assets over plan obligations for U.S. and foreign defined benefit pension plans. The pension prepaid asset increases slightly over the Projection Period due to plan assets exceeding plan obligations for certain frozen U.S. subsidiary and international pension plans.

Goodwill: Goodwill was determined by subtracting the estimated fair market value of the reorganized Debtors' identifiable tangible and intangible assets at the Effective Date from the sum of the projected reorganized equity value plus total liabilities upon emergence.

Accounts Payable: The projections reflect a slight increase in accounts payable from 2008 to 2009. The increase is due to the return to pre-petition terms partially offset by the unwinding of AHG working capital in Q1 2009. In 2009 through 2011, the increase in accounts payable balances relates to growth, as vendor payment terms are projected to increase minimally during the projection period due to divisional performance initiatives.

Accrued Liabilities: Accrued liabilities are primarily comprised of employee benefit obligations (excluding pension), warranty, income and other tax, payroll, at risk compensation, restructuring, and attrition program obligations due within the following twelve months.

Pension[3]: Pension liabilities represent the excess of plan obligations over plan assets for U.S. and foreign defined benefit pension plans. As part of the Debtors' Transformation Plan, the U.S. hourly and salaried defined benefit ("DB") plans are assumed to be frozen as of September 30, 2008. The hourly plan is replaced with a 5.4% cash balance plan and a 2.1% Defined Contribution ("DC") plan for the UAW and a 7% Defined Contribution ("DC") plan for the IUE & USW. The salaried defined benefit plan is being replaced with a DC plan providing for employer non-elective and matching contributions. The Legacy SERP plan is frozen September 30, 2008 and replaced by a non-qualified DC plan and an amended frozen DB SERP plans for existing active participants. Retired SERP participants are treated as pre-petition general unsecured claims

[3] Since pension status is measured on a plan-by-plan basis, the Debtors' consolidated balance sheet projections include both pension prepaid assets and pension liabilities in the same periods, due to the underfunded status of certain international and U.S. non-qualified plans.

The Projections assume that the entire Delphi Hourly-Rate Employees Pension Plan net pension liability transfer to GM under section 414(l) of the Internal Revenue Code (as described in Section V of the Disclosure Statement) occurs on September 29, 2008.

The principal U.S. plan actuarial estimates are: asset return rates of -10% in 2008 and 8.75% thereafter and a discount rate consistent with the December 31, 2007 measurement of 6.3% for the hourly defined benefit plan and 6.5% for the salaried defined benefit plan.

Post-emergence contributions to the Salaried Retirement Plan (SRP) are assumed to be made with ERISA qualifying employer securities with an emergence contribution in the form of a marketable fair value note and contributions of Delphi equity of $145 million, $148 million, and $127 million in 2009, 2010, and 2011, respectively.

The funded levels of foreign pension plans are included for the entire Projection Period assuming no design changes to existing benefits.

OPEB: The termination of the U.S. hourly post-retirement healthcare plan and concurrent triggering of the GM Benefit Guarantee and transfer of these liabilities to GM are assumed to occur on the MRA/GSA effective date. Post-Effective Date OPEB liabilities reflect the Debtors' obligations related to a) retiree medical accounts and OPEB life benefits for certain U.S. hourly employees pursuant to U.S. labor agreements, b) subsidiary U.S. OPEB plans, and c) continuing obligations for certain U.S. salaried active and retired employees. These are projected based upon expected eligible employees and assumptions relating to future health care costs, mortality tables and discount rates.

Other Liabilities: Other liabilities are primarily comprised of long-term obligations or reserves related to restructuring initiatives, customer warranties, workers compensation and environmental matters. Minority interest in consolidated joint-ventures is also included.

Equity and Capital: Total post-emergence Equity and Capital for the year ending 2008 includes debt and equity exit financing of approximately $3.8 billion, existing non-U.S. debt and equity provided to pre-petition stakeholders at emergence. Equity and Capital changes from $7.9 billion to $7.4 billion from 2008 – 2011 primarily due to projected repayments of debt with excess cash.

Cash Flow Assumptions

Cash flow from operating activities: Cash flow from operating activities is projected to increase from an inflow of $0.5 billion in 2008 to an inflow of $1.3 billion in 2011. Significant sources and uses of cash from operations include:

- EBITDARPO improves from $1.0 billion in 2008 to $2.2 billion in 2011;
- Global restructuring cash outflows of approximately $0.3 billion, $0.5 billion, $0.2 billion and $0.2 billion in 2008, 2009, 2010, and 2011 respectively
    - The $0.3 billion included in 2008 is net of a $1.0 billion payment from GM;
- Projected net working capital monetization proceeds associated with the exit from certain Non-Continuing Businesses; and,
- Net Payments from GM of $1.7 billion in 2008 resulting from the implementation of the MRA/GSA (including $1.0 billion referred to above in global restructuring cash).

Improved operating cash flows are generally the result of the implementation of the Debtors' Transformation Plan, including product portfolio rationalization and migration, SG&A cost reduction initiatives, the freezing of U.S. legacy defined benefit pension plans and agreement with GM regarding future business commitments and financial support for legacy costs, including hourly OPEB, as well as revenue growth in the continuing businesses.

Cash flow from investing activities: Cash flow from investing activities primarily consists of capital expenditures. Capital expenditures are $1.0 billion in 2008, including timing impacts of spending at year-end 2007, and are approximately $0.7 billion per year for 2009 – 2011.

Cash flow from financing activities: The Projections anticipate raising approximately $3.8 billion of incremental funding in the form of bank debt and rights to purchase equity to satisfy the Debtors' anticipated capital requirements offset by emergence payments of approximately $3.9 billion required under the Plan. Subsequent to the Effective Date, cash flows from financing activities generally represent repayments of debt with excess cash. Prior to the Effective Date, cash flows from financing activities are primarily comprised of borrowings under the Debtors' DIP financing facility. Further detail of the various sources and uses of cash at the Effective Date are illustrated below:

Estimated Cash Sources and Uses at Emergence - 12/31/2008

($ in millions)		Adjustments
Sources/(Uses):		
Total Sources	**$**	**3,750**
DIP Term B		(501)
DIP Term C		(2,749)
DIP Revolver		-
Exit Term Loan OID		(220)
Payment to GM for active PRP transfer [a]		(9)
Payments to GM		-
Administrative & Priority Claims (including cure, transaction fees and other) [b]		(372)
Total Uses	**$**	**(3,851)**
Cash Flow from Financing at Emergence	**$**	**(101)**

(a) Amount is expected to be remitted to GM in conjunction with the 414(l) transfer as payment for active employee PRP unearned pension service cost and is estimated based on projected asset returns and 414(l) transfer size assumptions.
(b) Administrative and priority claims and transaction fees are estimated to be $0.4 billion and are projected to receive 100% of their total claim amount in cash. Transaction fees include payments for debt underwriting fees, as well as to legal and financial advisors involved in the Debtors' Chapter 11 case.

Variance to First Amended Disclosure Statement: Sales, EBITDAR & Cash Flow before financing

($ in millions)	2008	2009	2010	2011
Revenue per Confirmed Plan [a]	$ 19,708	$ 20,286	$ 21,963	$ 23,659
Revenue per RPOR [b]	19,726	18,554	19,928	21,635
Variance - favorable/(unfavorable)	18	(1,732)	(2,034)	(2,024)

(a) Confirmed Plan financial statements are reflected in accordance with filing and include both discontinued & continued operations in the consolidated results.
(b) RPOR financial statements are reflected net of discontinued operations.
Note –2008 in the RPOR reflects actual reported figures for six months and projections for six months compared to a full year of projections in the POR. All other subsequent years' annual figures are projected in both the POR and the RPOR.

Sales: 2008 through 2011 sales were decreased in the Projections to reflect macro economic conditions and trends. The Debtors' sales to GM, its largest customer, are highly dependant on the build rate of GM vehicles, particularly light trucks and SUVs in North America which have been declining.

Updated production volumes reflect the expected continued shift in consumer purchases in North America to smaller, more fuel efficient vehicles, due largely to increased fuel costs. The impact of the lower GMNA production volume forecasts as well as for other customer volume reductions had an unfavorable annual impact ranging from ($0.8) – ($2.1) billion.

Sales in 2008 are favorable as compared to the Projections filed with the Confirmed Plan of Reorganization (the "Original Projections") primarily due to favorable foreign exchange rates and the extension of the sale/wind downs in the AHG division. Offsetting these revenue increases is the effect of the labor disruption at American Axle. Sales in 2009-2011 were favorably impacted by foreign exchange rates by approximately $1.0 billion annually, higher commodity cost recoveries related to existing contractual escalation contracts of approximately $0.1 billion, and reduced net price-downs to customers of approximately $0.2 billion annually in 2008 - 2010. In addition to decreased N.A. production volume forecasts, sales were also impacted unfavorably related to the exit of the converters business within the Powertrain division.

($ in millions)	2008	2009	2010	2011
EBITDAR[c] per Confirmed Plan [a]	$ 1,577	$ 2,432	$ 2,814	$ 3,085
EBITDAR[c] per RPOR [b]	525	1,777	2,108	2,195
Variance - favorable/(unfavorable)	(1,051)	(655)	(706)	(890)

(a) Confirmed Plan financial statements are reflected in accordance with filing and include both discontinued & continued operations in the consolidated results.
(b) RPOR financial statements are reflected net of discontinued operations.
(c) Note - EBITDAR is calculated as operating income plus depreciation, amortization and restructuring expense.
EBITDAR is a calculated figure used as a proxy by the Company for recurring operating income. However,
EBITDAR is not a measurement of performance under US GAAP and may not be comparable to similarly
titled measures of other companies.
2008 CY in the RPOR reflects actual reported figures for six months and projections for six months compared to a full year of projections in the POR. All other annual figures are projected in both the POR and the RPOR.

($ in billions)	2008	2009	2010	2011
Confirmed Plan	**$1.6**	**$2.4**	**$2.8**	**$3.1**
Macro Economic Changes				
Volume/Mix	(0.6)	(0.7)	(0.7)	(0.6)
Commodities	(0.2)	(0.4)	(0.5)	(0.6)
Improvement Initiatives				
Customer/Supplier Price Recovery	0.0	0.2	0.2	0.2
Cost Reductions*	0.1	0.3	0.4	0.4
MRA/GSA & Emergence Related				
MRA/GSA GM Support	0.1	0.2	0.2	0.1
Pension	(0.3)	(0.2)	(0.2)	(0.3)
OPEB	(0.3)	0.0	0.0	0.0
Other/Misc	0.1	0.0	(0.1)	(0.1)
Net Change	(1.1)	(0.6)	(0.7)	(0.9)
RPOR EBITDAR	**$0.5**	**$1.8**	**$2.1**	**$2.2**

*Includes structual cost reductions in manufacturing, engineering and SG&A

EBITDAR: EBITDAR is unfavorable in the Projections as compared to the Confirmed Plan due primarily to decreased profitability resulting from declining North American production volumes of approximately ($0.7) billion and increases in commodity costs ranging between ($0.2) – ($0.6) billion, partially offset by related operational initiatives to reduce SG&A, engineering and manufacturing costs of

approximately $0.1 - $0.4 billion along with customer price and supplier price initiatives in response to higher commodity prices of approximately $0.2 billion annually.

EBITDAR in the projected years of the Plan is also impacted by the changes related to the amended MRA/GSA recently approved by the Court. The delay of the effective date of these agreements (the Confirmed Plan assumed an effective date commensurate with emergence at December 31, 2007, the Plan assumes an effective date of September 29, 2008 which occurs prior to the assumed emergence date of December 31, 2008) has unfavorably impacted EBITDAR in 2008 related to Pension of approximately ($0.3) billion, OPEB costs of approximately ($0.3) billion partially offset by relief of certain warranty liabilities which favorably impacted EBITDAR by approximately $0.1 billion. EBITDAR in 2009-2011 was unfavorably impacted by the elimination of Pension income ranging between approximately ($0.2) – ($0.3) billion annually associated with lower 2008 asset returns and increased 414(l) transaction with GM. EBITDAR in 2009-2011 has been favorably impacted due to the removal of customer price reductions to GM of approximately $0.1 billion annually which were outlined in the original MRA agreement and have been removed from the amended MRA agreement as well as the agreement to additional support via a Keep Site facilitation payments in 2009 and 2010 which favorably impact EBITDAR by approximately $0.1 billion in each year to reflect both lower volumes and higher commodity costs in the U.S. Keep Site manufacturing locations.

Cash flow before financing:

($ in millions)	2008	2009	2010	2011
CF Before Financing Confirmed Plan [a]	$ (941)	$ 339	$ 585	$ 938
CF Before Financing RPOR [b]	(560)	87	398	610
Variance - favorable/(unfavorable)	381	(251)	(187)	(328)

(a) Confirmed Plan financial statements are reflected in accordance with filing and include both discontinued & continued operations in the consolidated results.
(b) RPOR financial statements are reflected net of discontinued operations.

Cash flow before financing is unfavorable in the 2009 – 2011 projected period primarily due to reduced EBITDAR noted above and partially offset by lower cash interest related to lower assumed debt levels. Relative to 2008, cash flow is favorably impacted by reduced pension contributions. The Projections include a re-design of the 414(l) pension transfer to GM, which was intended to minimize exposure to future asset return and discount rate fluctuations and in addition minimize the contributions required to be made into the hourly pension plan. The Confirmed Plan included approximately $1.2 billion of emergence-related hourly & salaried pension contributions due in the quarter following emergence (i.e., Q1 2008); Current Projections comprehend approximately $0.3 billion of hourly and salaried pension contributions during 2008 and at emergence.

Note: The financial statements in this exhibit are presented on a discontinued operations basis. A reconciliation between this basis and a non-discontinued operation basis is shown in the following tables:

($ in millions)

Revenue	2007	2008
Discontinued Operations Basis	22,283	19,726
Disc. Ops Revenue	3,877	2,477
Non-Discontinued Operations Basis	**26,160**	**22,203**

EBITDARP	2007	2008
Discontinued Operations Basis	561	583
Disc. Ops EBITDARP	377	40
Non-Discontinued Operations Basis	**938**	**623**

Revenue By Region (on a non-discontinued operations basis)

	North America	Europe	Asia Pacific	South America	Total
2007	54%	31%	11%	4%	100%
2011	37%	40%	17%	6%	100%

Delphi Corporation
Projected Consolidated Statements of Operations

($ in millions)	Pre-Emergence 2007	Pre-Emergence 2008	Post-Emergence 2009	Post-Emergence 2010	Post-Emergence 2011
Net Sales:					
GM Sales	$ 8,302	$ 5,874	$ 4,910	$ 4,614	$ 4,634
Non-GM Sales	13,981	13,852	13,643	15,314	17,000
Total Sales	**$ 22,283**	**$ 19,726**	**$ 18,554**	**$ 19,928**	**$ 21,635**
Operating Expense:					
Total COGS	21,278	18,257	16,014	16,798	18,336
Selling, General and Administrative	1,939	1,602	1,167	1,157	1,251
Depreciation and Amortization	1,012	1,149	1,154	948	954
Operating Income (EBIT)	**$ (1,946)**	**$ (1,283)**	**$ 219**	**$ 1,026**	**$ 1,093**
Operating Income %	*(8.7%)*	*(6.5%)*	*1.2%*	*5.1%*	*5.1%*
Reorganization Items (Income)/ Expense	163	(9,095)	-	-	-
Interest Expense	769	531	362	357	307
Other Income / (Expense)	47	(20)	7	8	19
Pretax Income from Continuing Operations	**$ (2,831)**	**$ 7,262**	**$ (137)**	**$ 677**	**$ 805**
Income Tax Expense / (Benefit)	(523)	162	255	325	367
Net Income from Continuing Operations	**$ (2,308)**	**$ 7,100**	**$ (392)**	**$ 352**	**$ 438**
Income (loss) from Discontinued Operations, net of tax	(757)	16	-	-	-
Net Income	**$ (3,065)**	**$ 7,116**	**$ (392)**	**$ 352**	**$ 438**
Net Income %	*(13.8%)*	*36.1%*	*(2.1%)*	*1.8%*	*2.0%*
Memo: EBITDAR from Continuing Operations	$ 437	$ 525	$ 1,777	$ 2,108	$ 2,195
EBITDAR%	*2.0%*	*2.7%*	*9.6%*	*10.6%*	*10.1%*
Memo: EBITDARP[(a)] from Continuing Operations	$ 561	$ 583	$ 1,743	$ 2,060	$ 2,135
EBITDARP%	*2.5%*	*3.0%*	*9.4%*	*10.3%*	*9.9%*
Memo: EBITDARPO[(b)] from Continuing Operations	$ 1,131	$ 984	$ 1,836	$ 2,157	$ 2,238
EBITDARPO%	*5.1%*	*5.0%*	*9.9%*	*10.8%*	*10.3%*

Note - EBITDAR is calculated as operating income plus depreciation, amortization and restructuring expense. EBITDAR is a calculated figure used as a proxy by the Company for recurring operating income. However, EBITDAR is not a measurement of performance under US GAAP and may not be comparable to similarly titled measures of other companies.
(a) Pension adjustments include U.S. Hourly and Salaried pension (excluding SERP).
(b) Includes pension adjustments noted in footnote "a" plus adjustments to exclude U.S. hourly and Salaried OPEB expenses.

Delphi Corporation
Projected Consolidated Balance Sheets

($ in millions)	Pre-Emergence 2007	Post-Emergence 2008	2009	2010	2011
Current Assets:					
Cash and Cash Equivalents [a]	$ 1,258	$ 960	$ 715	$ 715	$ 715
GM Receivables	1,257	646	499	544	519
Non-GM Receivables	2,637	2,546	2,678	2,975	3,313
Total Receivables	**$ 3,894**	**$ 3,192**	**$ 3,177**	**$ 3,519**	**$ 3,832**
Inventory	1,808	1,652	1,507	1,592	1,679
Deferred Taxes	58	64	64	64	64
Other Current Assets	530	468	440	428	416
Assets Held for Sale [b]	671	-			
Total Current Assets	**$ 8,220**	**$ 6,337**	**$ 5,904**	**$ 6,318**	**$ 6,707**
Long Term Assets:					
Property, net	$ 3,863	$ 3,730	$ 3,620	$ 3,469	$ 3,301
Deferred Tax	43	56	56	56	56
Other Assets [c]	1,144	3,064	2,715	2,619	2,530
Pension Pre-Paid Asset	1	9	9	10	17
Goodwill	396	2,752	2,751	2,751	2,751
Total Long Term Assets	**$ 5,447**	**$ 9,610**	**$ 9,151**	**$ 8,904**	**$ 8,655**
Total Assets	**$ 13,667**	**$ 15,948**	**$ 15,055**	**$ 15,222**	**$ 15,362**
Current Liabilities:					
Accounts Payable	2,904	2,512	2,560	2,812	3,124
Pension - Short Term	534	340	350	330	293
OPEB - ShortTerm	62	81	93	100	108
Accrued Liabilities (excl. pension)	2,281	1,671	1,530	1,498	1,488
Liabilities Held For Sale	412	-			
Total Current Liabilities	**$ 6,193**	**$ 4,604**	**$ 4,533**	**$ 4,740**	**$ 5,013**
Long Term Liabilities:					
Pension - Long Term	3,245	1,144	945	755	590
OPEB - Long Term	8,724	1,140	1,206	1,272	1,333
Other Liabilities	1,340	1,174	1,075	1,053	1,046
Total Long Term Liabilities	**$ 13,310**	**$ 3,459**	**$ 3,227**	**$ 3,080**	**$ 2,969**
Liabilities Subject to Compromise [d]	4,082	-	-	-	-
Total Liabilities	**$ 23,585**	**$ 8,063**	**$ 7,759**	**$ 7,821**	**$ 7,982**
Equity and Capital [e]	**$ (9,917)**	**$ 7,885**	**$ 7,295**	**$ 7,402**	**$ 7,379**
Total Liabilities, Equity and Capital	**$ 13,667**	**$ 15,948**	**$ 15,055**	**$ 15,223**	**$ 15,362**

(a) Cash and cash equivalents includes unrestriced cash, restricted cash, and cash held at discontinued operations.
(b) Excludes assets held for sale cash balances.
(c) Other assets includes intangible assets, except for goodwill.
(d) This figure does not include the pension and OPEB liabilities subject to compromise.
(e) Current and Long Term Debt is included in Equity and Capital.

Delphi Corporation
Projected Consolidated Statements of Cash Flows

($ in millions)	Pre-Emergence 2007	Pre-Emergence 2008	Post-Emergence 2009	Post-Emergence 2010	Post-Emergence 2011
Cash Flows from Operating Activities:					
Net Income / (Loss)	$ (3,065)	$ 7,116	$ (392)	$ 352	$ 438
Non-Cash Expenses in Net Income					
Depreciation and Amortization	1,012	1,149	1,154	948	954
Pension Expense	334	174	18	3	(9)
OPEB Expense	571	405	95	99	106
Reorganization Expense	163	(9,095)	-	-	-
Restructuring Expense	1,372	658	405	134	147
Changes in Assets and Liabilities:					
Working Capital	147	522	124	(173)	(89)
Deferred, Tax	(638)	(10)	-	-	-
Other, net [(a)]	915	510	12	69	107
Pension Contributions	(304)	(434)	(89)	(96)	(97)
OPEB Cash Paid	(207)	(262)	(66)	(78)	(85)
Restructuring Cash Paid	(1,369)	(293)	(460)	(170)	(179)
Discontinued Operations	1,022	13	-	-	-
Net Cash Provided by Operating Activities	**$ (48)**	**$ 453**	**$ 802**	**$ 1,088**	**$ 1,293**
Net Cash Used in Investing Activities [(b)]	$ (533)	$ (847)	$ (714)	$ (690)	$ (683)
Discontinued Operations	(57)	(166)	-	-	-
Net Cash Used in Investing Activities	**$ (590)**	**$ (1,013)**	**$ (714)**	**$ (690)**	**$ (683)**
Net Cash (Used In) / Provided by Financing Activities	$ (56)	$ 229	$ (332)	$ (398)	$ (610)
Discontinued Operations	(2)	17	-	-	-
Net Cash (Used In) / Provided by Financing Activities	**$ (58)**	**$ 246**	**$ (332)**	**$ (398)**	**$ (610)**
FX Impact	114	68	-	-	-
(Decrease) / Increase in Cash and Cash Equivalents	**$ (582)**	**$ (246)**	**$ (245)**	**$ -**	**$ (0)**
Cash and cash equivalents at the beginning of the year	**$ 1,813**	**$ 1,258**	**$ 960**	**$ 715**	**$ 715**
Net Cash Flow	(582)	(246)	(245)	-	(0)
Change in Restricted Cash	26	(52)	-	-	-
Cash and cash equivalents at the end of the year [(c)]	**$ 1,258**	**$ 960**	**$ 715**	**$ 715**	**$ 715**

(a) Includes cash used in investing other than capital expenditures
(b) Cash used in investing includes capital expenditures only
(c) Cash and cash equivalents includes unrestricted cash, restricted cash, and cash held at discontinued operations.

Delphi Corporation
Projected Pro Forma Consolidated Balance Sheet
(12/31/2008)

($ in millions)	Pre-Emergence Balance Sheet	Debt / Equity Discharge	Capital Transactions and Other	Fresh Start	Reorganized Balance Sheet
Current Assets:					
Cash and Cash Equivalents [a]	$ 1,091	$ (3,471)	$ 3,340	$ -	$ 960
GM Receivables	646	-	-	-	646
Non-GM Receivables	2,546	-	-	-	2,546
Total Receivables	**$ 3,192**	**$ -**	**$ -**	**$ -**	**$ 3,192**
Inventory	1,568	-	-	84	1,652
Deferred Taxes	64	-	-	-	64
Other Current Assets	456	-	12	-	468
Total Current Assets	**$ 6,372**	**$ (3,471)**	**$ 3,352**	**$ 84**	**$ 6,337**
Long Term Assets:					
Property, net	3,730	-	-	-	3,730
Deferred Tax	56	-	-	-	56
Other Assets [b]	1,112	-	73	1,880	3,064
Pension Pre-Paid Asset	9	-	-	-	9
Goodwill	254	-	-	2,498	2,752
Total Long Term Assets	**$ 5,160**	**$ -**	**$ 73**	**$ 4,378**	**$ 9,610**
Total Assets	**$ 11,531**	**$ (3,471)**	**$ 3,425**	**$ 4,462**	**$ 15,948**
Current Liabilities:					
Accounts Payable	2,512	-	-	-	2,512
Pension	340	-	-	-	340
OPEB	81	-	-	-	81
Accrued Liabilities	1,668	2	-	-	1,671
Total Current Liabilities	**$ 4,601**	**$ 2**	**$ -**	**$ -**	**$ 4,604**
Long Term Liabilities:					
Pension	1,323	(179)	-	-	1,144
OPEB	1,140	-	-	-	1,140
Other Liabilities	1,174	-	-	-	1,174
Total Long Term Liabilities	**$ 3,638**	**$ (179)**	**$ -**	**$ -**	**$ 3,459**
Liabilities Subject to Compromise [c]	9,008	(9,008)	-	-	-
Total Liabilities	**$ 17,248**	**$ (9,185)**	**$ -**	**$ -**	**$ 8,063**
Equity and Capital	**$ (5,716)**	**$ 5,714**	**$ 3,425**	**$ 4,463**	**$ 7,885**
Total Liabilities, Equity and Capital	**$ 11,531**	**$ (3,471)**	**$ 3,425**	**$ 4,463**	**$ 15,948**

(a) Cash and cash equivalents includes unrestriced cash, restricted cash, and cash held at discontinued operations.
(b) Other assets includes intangible assets, except for goodwill.
(c) This figure does not include the pension and OPEB liabilities subject to compromise.

Projected Pro Forma Consolidated Balance Sheet

Companies emerging from bankruptcy are required to meet certain criteria to apply Fresh-Start Reporting upon emergence in accordance with American Institute of Certified Public Accountants Statement of Position 90-7 Financial Reporting by Entities in Reorganization under the Bankruptcy Code ("SOP 90-7"). The main principles of Fresh Start Reporting include the allocation of the reorganization value of the entity being allocated to the entity's assets in conformity with the procedures specified by Statement of Financial Accounting Standards ("SFAS") No. 141, Business Combinations and the reporting of any portion of the reorganization value that cannot be attributed to specific tangible or identified intangible assets of the emerging entity as goodwill in accordance with SFAS No. 142, Goodwill and Other Intangible Assets.

Solely for purposes of preliminary fresh start accounting estimates in these Projections, the reorganization value is based upon a $7.0 billion enterprise value estimate. The reorganization value ultimately used by the Debtors in implementing Fresh-Start Reporting may differ from this estimate. Likewise, the Debtors' allocation of the reorganization value to individual assets and liabilities is based upon preliminary estimates by the Debtors, is subject to change upon the formal implementation of Fresh-Start Reporting and could result in material differences to the allocated values included in these Projections.

The significant projected pro forma consolidated balance sheet adjustments reflected in the Projections are summarized as follows:

a) Inventory: A Fresh-Start adjustment of approximately $0.1 billion was made due to a revaluation of materials inventory based on estimated fair market value.

b) Other Assets: An adjustment of approximately $1.8 billion was made to recognize intangible assets based on the estimated fair market value of patents, trade names, customer relationships and in-process research and development. Other Assets also includes the capitalization of certain exit financing fees in the amount of $0.1 billion.
.
c) Goodwill: Goodwill is estimated by subtracting the estimated fair market value of the reorganized Debtors' identifiable tangible and intangible assets from the sum of the projected reorganized equity value plus total liabilities upon emergence, resulting in a post-emergence balance of approximately $2.8 billion.

d) Pension (long-term): Adjustments were made to reflect the decrease in pension liabilities, primarily due to a ($0.1) billion discharge of SERP liabilities.

e) Liabilities Subject to Compromise: Liabilities Subject to Compromise include GM claims arising from the effectiveness of the MRA/GSA and related 414(l) pension transfer in the third quarter of 2008, including a $2.1 billion administrative claim and a $2.5 billion general unsecured claim. An adjustment of approximately $4.4 billion made to record the settlement of accounts payable, short term and long term debt and other liabilities pursuant to the Plan. The liabilities subject to compromise account shown on the balance sheet excludes pre-petition pension and OPEB liabilities. These liabilities are displayed separately on the balance sheet and pension related fresh-start adjustments are described in the "Pension (long-term)" section of this exhibit.

f) Equity and Capital: Total post emergence Equity and Capital includes debt and equity exit financing of approximately $3.8 billion, existing non-U.S. debt and equity provided to pre-petition stakeholders at emergence.